



**FILED**

08/06/19  
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**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Application of Southern California  
Gas Company (U 904 G) and San  
Diego Gas & Electric Company  
(U 902 G) for Renewable Natural Gas  
Tariff.

Application 19-02-015

**ASSIGNED COMMISSIONER'S SCOPING MEMO AND RULING**

This scoping memo and ruling sets forth the category, issues to be addressed, and schedule of the proceeding pursuant to Public Utilities (Pub. Util.) Code § 1701.1 and Article 7 of the Commission's Rules of Practice and Procedure.

**1. Procedural Background**

On February 28, 2019, Southern California Gas Company (SoCalGas) and San Diego Gas & Electric Company (SDG&E, or with SoCalGas, Utilities) filed Application (A.) 19-02-015, requesting authority to offer a voluntary Renewable Natural Gas Tariff (RGT) program to their residential, small commercial, and industrial customers. The Utilities state that the voluntary RGT program is designed to provide a market for renewable natural gas<sup>1</sup> (RNG) in

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<sup>1</sup> Utilities state that for the purposes of their voluntary RGT, renewable gas refers to biomethane, synthetic methane (methanated hydrogen), syngas (gas derived from gasification), and hydrogen; however at this time, the Utilities are only seeking to include biomethane in the RGT. See Prepared Direct Testimony of Tanya Peacock on behalf of Southern California Gas Company and San Diego Gas & Electric Company at 1-4.

non-transportation sectors and may provide stability to the RNG market by helping drive the demand for RNG, creating market forces that would increase supply and lower overall cost.

On March 14, 2019, Administrative Law Judge (ALJ) Resolution 176-3434 was issued, preliminarily designating this proceeding as “ratesetting” and indicating a need for a hearing.

On April 5, 2019, Public Advocates Office (Cal Advocates), the Agricultural Energy Consumers Association (AECA), Sierra Club, SFE Energy California, Inc., (SFE Energy), Coalition of California Utilities Employees, and The Utility Reform Network (TURN) filed protests to Utilities’ application.

On April 5, 2019, Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), and Bioenergy Association of California (BAC) filed a response to Utilities’ Application.

On June 7, 2019 the assigned ALJ issued a ruling directing the parties to submit prehearing conference (PHC) statements.

On June 11, 2019 PHC statements were filed jointly by Sierra Club and TURN, SFE Energy, and the Utilities.

A PHC was held on Tuesday, June 19, 2019, to discuss the issues of law and fact and determine the need for hearing and schedule for resolving the matter.

After considering each of the filed documents enumerated above as well as the discussion at the PHC, I have determined the issues and scheduled of proceeding to be set forth in this scoping memo.

## **2. Issues**

The issues to be determined are:

1. Whether or not the Commission should authorize SoCalGas and SDG&E to establish new, optional tariffs for residential and core commercial/industrial customers to be sourced with RNG.
2. What supply sources should be used under the program and where should they be located?
3. What contribution will the RGT program have to the state's efforts to reduce GHG emissions?
4. What provisions are necessary to ensure the RGT program results in GHG reductions in CA that are maximized, verified, and not double-counted?
5. What benefits from the RGT program, if any, should be passed on to participating ratepayers?
6. What is the appropriate scope, content and target for a marketing program for the RGT program and how should it be funded?
7. Does the RGT program necessitate any infrastructure investments or safety improvements/enhancements?
8. Would approval of the RGT program have any potential adverse impacts on participating customers, non-participating customers, or core transport agents?
9. What is a reasonable budget and costs for the program, and how should those costs be tracked and allocated?

## **3. Need for Evidentiary Hearing**

The issues identified above are contested material issues of fact.

Accordingly, evidentiary hearing is needed on these issues.

## **4. Schedule**

The following schedule is adopted here and may be modified by the administrative law judge as required to promote the efficient and fair resolution of the Application:

Event	Date
Applicant Supplemental Testimony served to address questions presented in the Scoping Memo	September 16, 2019
Intervenors' prepared direct testimony served	October 14, 2019
Prepared rebuttal testimony served	October 31, 2019
Evidentiary hearing	November 19-20, 2019 320 West 4 <sup>th</sup> Street, Suite 500 Junipero Serra State Office Building Los Angeles, California 90013
Opening briefs	January 10, 2020
Reply briefs [matter submitted]	January 21, 2020
Proposed decision	90 days after submission

The organization of prepared testimony and briefs must correlate to the identified issues. The proceeding will stand submitted upon the filing of reply briefs, unless the administrative law judge requires further evidence or argument. Based on this schedule, the proceeding will be resolved within 18 months as required by Pub. Util. Code § 1701.5.

### **5. Category of Proceeding/*Ex Parte* Restrictions**

This ruling confirms the Commission's preliminary determination that this is a ratesetting proceeding. (Resolution ALJ 176- 3434) Accordingly, *ex parte* communications are restricted and must be reported pursuant to Article 8 of the Commission's Rules of Practice and Procedure.

### **6. Oral Argument**

Unless comment is waived pursuant to Rule 14.6(c)(2) for granting the uncontested relief requested, motion for oral argument shall be by no later than the time for filing reply briefs.

## **7. Public Outreach**

Pursuant to Pub. Util. Code § 1711(a), I hereby report that the Commission sought the participation of those likely to be affected by this matter by noticing it in the Commission's monthly newsletter that is served on communities and businesses that subscribe to it and posted on the Commission's website.

## **8. Intervenor Compensation**

Pursuant to Pub. Util. Code § 1804(a)(1), a customer who intends to seek an award of compensation must file and serve a notice of intent to claim compensation by July 19, 2019, 30 days after the prehearing conference.

## **9. Public Advisor**

Any person interested in participating in this proceeding who is unfamiliar with the Commission's procedures or has questions about the electronic filing procedures is encouraged to obtain more information at <http://consumers.cpuc.ca.gov/pao/> or contact the Commission's Public Advisor at 866-849-8390 or 415-703-2074 or 866-836-7825 (TTY), or send an e-mail to [public.advisor@cpuc.ca.gov](mailto:public.advisor@cpuc.ca.gov).

## **10. Service of Documents on Commissioners and Their Personal Advisors**

Rule 1.10 requires only electronic service on any person on the official service list, other than the ALJ.

When serving documents on Commissioners or their personal advisors, whether or not they are on the official service list, parties must only provide electronic service. Parties must NOT send hard copies of documents to Commissioners or their personal advisors unless specifically instructed to do so.

## **11. Assignment of Proceeding**

Clifford Rechtschaffen is the assigned Commissioner and Colin Rizzo is the assigned ALJ for the proceeding.

**IT IS RULED** that:

1. The scope of this proceeding is described above.
2. The schedule of this proceeding is as set forth above.
3. Evidentiary hearings are needed.
4. The presiding officer is Administrative Law Judge Colin Rizzo.
5. The category of the proceeding is Ratesetting.

Dated August 6, 2019 at San Francisco, California.

/s/ CLIFFORD RECHTSCHAFFEN

Clifford Rechtschaffen  
Assigned Commissioner